

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6845**

**BILL NUMBER:** HB 1204

**DATE PREPARED:** Dec 26, 2001

**BILL AMENDED:**

**SUBJECT:** Appeal Bonds.

**FISCAL ANALYST:** Mark Goodpaster

**PHONE NUMBER:** 232-9852

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill limits the amount of an appeal bond that an appellant must post to stay execution on a judgment while an appeal is pending to \$25,000,000.

**Effective Date:** July 1, 2002.

**Explanation of State Expenditures:** When a state administrative agency issues a judgment against a defendant in a civil action, the party against whom the judgement was entered may appeal the judgement to a higher court. When making the appeal, the administrative agency which issued the judgement may require the appealing party to post a bond to ensure that adequate resources are available to pay the judgement while the judgment is being appealed. Under Indiana Rules of Appellate Procedure, the agency which issued the judgment may use its own discretion in determining the amount of the bond that would need to be issued. This bill would specify that the maximum amount that the party appealing the judgement must post would be \$25 M.

There would be no effect on the state government because under current law, the maximum amount of monetary damage for which either the state or local governments could be liable is \$5 M for either death or personal injury.

**Explanation of State Revenues:** If the Indiana state government is a plaintiff in a case in which monetary damages are greater than \$25 M, then this bill could reduce prospective collections if the appeal bond is limited to \$25 M and the defendant is unable to pay more than the bond.

Staff in the Office of the Attorney General indicate that they are not aware of any cases in which the judgment award for the state is more than \$25 M.

**Explanation of Local Expenditures:** When a trial court issues a judgment against a defendant in a civil

action, the party against whom the judgement was entered may appeal the judgement to a higher court. When making the appeal, the trial court which issued the judgement may require the appealing party to post a bond to ensure that adequate resources are available to pay the judgement while the judgment is being appealed. Under Indiana Rules of Appellate Procedure, the court which issued the judgment may use its own discretion in determining the amount of the bond the would need to be issued. This bill would specify that the maximum amount that the party appealing the judgement must post would be \$25 M.

There would be no effect on local governments because under current law, the maximum amount of monetary damage for which either the state or local governments could be liable is \$5 M for either death or personal injury.

**Explanation of Local Revenues:** If a local governmental unit is a plaintiff in a case in which monetary damages are greater than \$25 M, then this bill could reduce prospective collections if the appeal bond is limited to \$25 M and the defendant is unable to pay more than the bond.

**State Agencies Affected:** Worker's Compensation Board, Indiana Civil Rights Commission, Indiana Utility Regulatory Commission, or Review Board of the Department of Workforce Development.

**Local Agencies Affected:** Trial Courts.

**Information Sources:** IC 34-13-3-4, Indiana Rules of Appellate Procedure.